

Kaiser loan forgiveness

Dated: July 28, 2006

It took Kaiser and Jowdy 8 years to make illegal transfer letter -- but Kaiser was no longer a victim after this day!!

Why would Kenner personally guarantee loans -- one month before Kaiser received \$1.176 million and 12 months after the initial transfer?

In consideration for the unpaid loans due to Kaiser and guarantees from Kenner:

- \$1m investment to Ka'u Holding Company, and
- \$360,000 loan to GuideDog, LLC

Already part of agreement days earlier...

RE: Baja Ventures 2006, LLC, a Delaware LLC

John R. Kaiser will acquire 90% of the member interest in Baja Ventures 2006, LLC immediately. Kaiser acknowledges there are debts and other obligations to Baja Ventures 2006, LLC for the company currently and his security will subordinate behind the initial \$2.5mm investment (its capital account as of March 2006).

In the event that Kenner can repay Kaiser full consideration for the outstanding loans and guarantees by December 2009, Kenner has the rights to reacquire the 90% interest in Baja Ventures 2006, LLC.

RE: GuideDog, LLC, a Delaware LLC

If the unpaid loans due to Kaiser and guarantees from Kenner are not satisfied in full by January 1, 2008, Kaiser will acquire GuideDog, LLC as additional collateral for the unpaid guarantees and loans. If the unpaid loans due to Kaiser and guarantees from Kenner are not satisfied in full by January 1, 2010, Kaiser will acquire all equity and rights to GuideDog, LLC, a Delaware LLC as its sole Managing Member. Kenner will assist in the transfer of Managing Member status without hesitation on or about January 1, 2010. Kenner confirms that there are no other future pledge agreements of GuideDog, LLC at the time of this agreement.

Philip A. Kenner
Philip A. Kenner

21 July 2006
Date

John R. Kaiser

7/2006

[Handwritten signatures and notes]
DS-00000303